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SUBJECT: TENY COMMENTS ON NCP-SPLM EXECUTIVE COMMITTEE, AEC, AND  
OIL

REF: KHARTOUM 193

¶1. (SBU) SUMMARY: In a February 11 meeting with econoffs, Angelina Teny, State Minister at the Ministry of Energy and Mining and wife of GoSS Vice President Riek Machar, outlined the SPLM's priorities for the next round of discussions at the joint NCP-SPLM political executive committee, naming the census, elections, Darfur, and the overall SPLM-NCP relationship as top issues. Teny also discussed the work of the Assessment and Evaluation Committee and the oil industry. With respect to the latter, Teny called for a more organized system for transferring oil revenues to the south, for more southern representation within the oil industry, and for a fully functional National Petroleum Commission. END SUMMARY.

#### POLITICAL EXECUTIVE COMMITTEE

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¶2. (SBU) Teny opened the meeting stating that there are four pressing issues facing the SPLM in the joint political executive committee, the SPLM-NCP negotiating committee formed upon the return of the SPLM to the Government of National Unity. (Note: Teny is one representative of the SPLM in this committee. She stated that she removed herself from the last round of talks as she was "exhausted" by previous meetings. End Note.) Teny said that SPLM representatives would discuss the census in the February 11 meeting, as they want information on ethnicity, residence, and religion included on the forms. She stated that the SPLM never formally agreed to the current forms that have already been printed.

¶3. (SBU) Teny also said that the SPLM will discuss elections in the political executive committee, adding that the SPLM has not decided whether to form an alliance with the NCP. Teny stated that without an improvement in Darfur, completion of the census and elections may be impossible and that the SPLM realizes that stabilizing Darfur is in its own interests. Although not offering details, Teny said that the SPLM also hopes to address its overall relationship with the NCP. Teny said that she has also encouraged the committee to discuss Abyei, as the parties need to be consulted on this issue and "no one will accept a decision made only by the presidency." Teny stated that she views the political executive committee as "complementary" to the AEC, as the AEC is there to observe and "not make political decisions."

#### ASSESSMENT AND EVALUATION COMMITTEE

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¶4. (SBU) Teny stated that she was surprised by the positive report presented by the chairman at the AEC's February 5 plenary session. She stated that former Chairman Tom Vraalsen usually presented critical reports that raised real issues. She also stated that the SPLM has "more or less" accepted the candidate for the AEC chair, former UK Ambassador to Egypt Derek Plumley. She also stated that due to a busy schedule, competing meetings, and new SPLM representatives to the AEC, the next scheduled wealth sharing working group meeting may have to be postponed.

15. (SBU) Teny said that she realizes that the Government of National Unity owes approximately \$200 million USD in oil revenue to the Government of South Sudan. Although concerned about this money, Teny said that "it is not just a matter of getting back this money, it is about the overall way that revenues are transferred." She said that the current method is unpredictable, disorganized, and expensive. She said that it is impossible to calculate when money will be received and that this greatly complicates the work associated with oil revenues.

16. (SBU) Teny stated that other senior SPLM leaders are aware of problems within the oil industry, but that they have not acted to improve it. She stated that she finds herself torn between competing loyalties as both an employee of the Ministry of Energy and Mining and an SPLM representative. She said that senior GoSS leaders should unilaterally decide to appoint a number of contractors and/or consultants to key positions in the central processing facilities, export terminals, and the oil marketing department. Teny believes that these observers would add a new level of transparency to the oil industry and increase the capacity of southern employees in important positions in this sector. "I have been talking until I am blue in the face about this, but nothing has happened," stated Teny.

17. (SBU) Teny stated that the National Petroleum Commission is not yet fully functional and that "guys in the Ministry of Energy and Mining control it." She said that the GoSS has appointed representatives to the National Petroleum Commission, but that many of them have little experience in the industry and are distracted by their other appointments.

18. (U) Teny said that she hopes that there will be a significant

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discovery of oil in the north "as it would take pressure off of the south," since the North relies heavily on the oil revenue from fields in the South. According to Teny, blocks 8, 11, and 14, all of which are in the North, show promising signs. She stated that she expects natural gas production to start in the Red Sea in early 2009.

19. (SBU) COMMENT: Although Teny is the most senior-ranking SPLM member in the Ministry of Energy and Mining, on February 11 she appeared frustrated and content to leave the job of reforming her ministry to others in her party. Teny is one of the overworked SPLM elite, juggling multiple committee memberships, jobs, and loyalties. Teny's situation seems to be representative of much of the SPLM senior leadership. Having just returned to the GNU, SPLM leaders are exhausted by the endless negotiations with the NCP and appear tentative in advancing their agenda on important issues such as the census, elections, and transparency in the oil industry.

POWERS